

Return of the Title IV Funds

The U.S. Department of Education requires that all schools, including New York Theological Seminary, implement a Return of Title IV Funds policy when a Title IV (federal financial aid) recipient withdraws from school. A federal financial aid recipient is defined as a student who has received Title IV funds such as but not limited to Federal Pell Grant, Federal Supplemental Educational Opportunity Grant, Federal Direct Loans, Federal Perkins Loan, and Federal Direct PLUS Loan. This policy applies to students who complete 60% or less of the enrollment period for which they received Title IV aid. A student who drops a class but still completes one or more classes does not qualify for the Return of Title IV Funds policy.

In order to adhere to this policy, the Registrar must determine the student's withdrawal date, which is defined as either:

1. the date the student began the withdrawal process by officially notifying the Registrar at New York Theological Seminary of his or her intent to withdraw or;
2. the midpoint of the semester or the last date of attendance in an academically-related activity by a student who does not notify the Registrar.

The calculation determines a student's earned and unearned Title IV aid based on the percentage of the enrollment period completed by the student. The percentage of the period that the student remained enrolled is derived by dividing the number of days the student attended by the number of days in the period. Calendar days (including weekends) are used, but breaks of at least 5 days are excluded from both the numerator and denominator. Course professors will be asked to verify a student's absence or presence through attendance in a classroom, participation on an online learning exercise, or some other such means in order to determine the amount of Title IV Funds that are to be returned.

Until a student has passed the 60% point of an enrollment period, only a portion of the student's aid has been earned. A student who remains enrolled beyond the 60% point is considered to have earned 100% of awarded federal aid for the enrollment period.

It is very important to note that earned aid is not related in any way to institutional charges. In addition, the Seminary's refund policy and the Return of Title IV Funds policy are independent of one another. A student who withdraws from a course may be required to return unearned aid and still owe the Seminary for the course. For more information on New York Theological Seminary's withdrawal and institutional charges policies, please see the Student Handbook or Seminary Catalog.

The responsibility to repay unearned Title IV aid is shared by the Seminary and the student. For example, the calculation may require NYTS to return a portion of Federal funds to the Federal Title IV programs. In addition, the student may also be required to return funds based on the calculation. A student returns funds to the Federal Direct Loan programs based on the terms and conditions of the promissory note of the loan. The return of Federal aid is in the following order: Unsubsidized Federal Direct loans then Federal Grad PLUS loans.